

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based

**BALLANTRAE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Ballantrae Community Development District was held on **Monday, September 11, 2006 at 11:00 a.m.** at the Ballantrae Community Center, 17611 Mentmore Boulevard, Land O'Lakes, FL 34638.

Present and constituting a quorum:

Fred Sikorski	Board Supervisor, Chairman <i>(joined the meeting in progress)</i>
Theresa Lynn Collins	Board Supervisor, Vice Chairman
Bill Daskarolis	Board Supervisor, Assistant Secretary
Jim Bagley	Board Supervisor, Assistant Secretary

Also present were:

Nils Hallberg	District Manager, Rizzetta & Company, Inc.
Tracey Robin	District Counsel, Straley, Robin & Williams
Lee Thompson	Representative, M/I Homes
Bill Fletcher	Field Manager
Sam Wesmundt	Representative, Verizon Florida, Inc.
John Stone	Representative, Verizon Florida, Inc.
Patricia Adrian	Resident

FIRST ORDER OF BUSINESS

Call to Order

Mr. Hallberg called the meeting to order and performed roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes of the Board of Supervisors' Meeting on August 7, 2006

Mr. Hallberg stated that the next item on the agenda was the consideration of the minutes of the Board of Supervisors' meeting on August 7, 2006. He asked if there were any additions, deletions, or corrections to the minutes. Hearing none, Mr. Hallberg asked for a motion to approve.

On Motion by Ms. Collins, seconded by Mr. Daskarolis, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on August 7, 2006 for Ballantrae Community Development District.

THIRD ORDER OF BUSINESS

**Consideration of Operation and
Maintenance Expenditures for August**

Mr. Hallberg stated that the next item on the agenda was the consideration of the Operation and Maintenance Expenditures for August. He briefly reviewed the expenditures that were processed between July 1 and July 31, 2006 totaling \$64,918.37, stating that these cover expenses such as District Management, legal and engineering fees, landscape maintenance, payroll and supervisor stipends and other normal monthly expenditures. Mr. Hallberg asked if there were any questions regarding any of these expenditures. A brief discussion ensued regarding the timing of the Progress Energy invoices and the status of the refund on the payment of the taxes. Further discussion ensued regarding the need to track the cash flow situation for the District given the current electrical costs and the fact that funds will not be received until December. Mr. Daskarolis made a motion to approve.

On Motion by Mr. Daskarolis, seconded by Ms. Collins, with all in favor, the Board approved the Operation and Maintenance Expenditures for August totaling \$64,918.37 for Ballantrae Community Development District.

FOURTH ORDER OF BUSINESS

**Consideration of Series 2004
Construction Requisition #39**

Mr. Hallberg stated that the next item on the agenda was the consideration of the Series 2004 Construction Requisition #39. He stated that he would like to table this item for now.

FIFTH ORDER OF BUSINESS

Discussion of Verizon Easement

Mr. Hallberg stated that the next item on the agenda was a discussion of Verizon's request for an easement. He introduced the representatives from Verizon Florida, Inc. and asked them to proceed with their presentation. Mr. Wesmundt distributed a request for an easement to bury copper cable for a radio tower in an area that the County has designated as being owned by Ballantrae District and has classified as a sewage disposal, wasteland, swamp area. He stated that currently, there are electrical poles running just east of the corridor in question, that Progress Energy will be taking down soon. Mr. Wesmundt stated that they are asking for a 10 foot easement into the 20 foot corridor, which would allow them to continue to offer service to the radio tower. During a brief discussion, Ms. Collins stated that the property does have value and as such feels that the District should receive financial consideration for granting the easement.

(Mr. Sikorski joined the meeting in progress)

Following further discussion, it was decided to grant the easement providing doing so would not violate any existing wetland permits with the Army Corp of Engineering and reasonable compensation can be agreed upon. Mr. Daskarolis made a motion to authorize the District Engineer to investigate the impact of granting the easement on any existing permits.

Mr. Wesmundt made an offer of \$8,000. Mr. Sikorski stated that given the motion on the floor to have the District Engineer research any permitting concerns, it would be appropriate for Verizon to cover the engineering costs as well. Ms. Collins stated that the offer seems light and that given the pending cash flow situation for November and December it would be advisable to ensure that a standard fee is attained. Further discussion ensued regarding this issue, but no Board action was taking regarding the establishment of retribution.

On Motion by Mr. Daskarolis, seconded by Ms. Collins, with all in favor, the Board authorized the District Engineer to investigate the impact that the Verizon Easement might have in regards to encroaching on any existing permits for Ballantrae Community Development District.

SIXTH ORDER OF BUSINESS

**Consideration of Series 2004
Construction Requisition #39**

Mr. Hallberg stated that he located the Series 2004 Construction Requisition #39 and asked that the Board consider it at this time. He stated that the requisition is payable to Cornerstone Tree Farm, Inc. in the amount of \$53,746.80 for the common areas project and the final retainage. Mr. Hallberg stated that this requisition has been approved by both the Chairman and the District Engineer. He asked if there were any questions. Mr. Daskarolis made a motion to approve.

On Motion by Mr. Daskarolis, seconded by Mr. Sikorski, with all in favor, the Board approved the Series 2004 Construction Requisition # 39 for Ballantrae Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Robin stated that he has prepared a letter to SunTrust Bank as Trustee for the District informing them that M/I Homes of Tampa, LLC as Developer of the District has incurred costs above and beyond the amount of the available construction fund. He stated that the letter requests that the Developer be reimbursed for these costs out of the Deferred Costs subaccount as they become available. Mr. Robin stated that the required Letter of Certification from the District Engineer has been received and will be attached to the letter. He asked for a motion to authorize the Chairman to execute the request. A brief discussion ensued.

On Motion by Mr. Daskarolis, seconded by Ms. Collins, with all in favor, the Board authorized the Chairman to execute the Notification of Deferred Costs for the Series 2004 Bonds requesting that the Developer be reimbursed from the reserve account for those expenses above those funded by the proceeds of the Series 2004 bonds for Ballantrae Community Development District.

Mr. Robin stated that the second item that he has prepared for the Board is an "Opinion Letter" regarding the public access issue of the recreational facilities within the District. He stated that while the facilities were not built with public funds, they found no case law that definitively authorizes restrictions under these conditions. Therefore District Counsel recommends that the District adopt a user fee schedule that is reasonable and generally comparable to similar facilities outside of the District. He also stated that since the facilities are built to accommodate a limited number of people, it would be reasonable to limit the number of memberships offered each year. Mr. Robin further stated that there is no requirement to advertise the availability of outside membership. Following a brief discussion, it was decided to have District Management provide the rates of comparable facilities for Board consideration at the next meeting.

B. District Engineer

Mr. Hallberg presented letters from WilsonMiller, Inc. and Mr. Piercefield announcing Mr. Piercefield's retirement and the firm's intention of assigning Tonja Stewart as the Engineer of Record for the District. He explained that at the time the board approved the contract with WilsonMiller, Inc. it stipulated that Mr. Piercefield be the Engineer of Record. Following a brief discussion, the Board decided to approve Ms. Stewart as the District Engineer providing there was no fee increase from WilsonMiller, Inc.

On Motion by Ms. Collins, seconded by Mr. Bagley, with all in favor, the approved Tonja Stewart as the Engineer of Record providing there was no fee increase from WilsonMiller, Inc. for Ballantrae Community Development District.

C. District Manager

Mr. Hallberg introduced Patricia Adrian to the Board stating that some time ago the Board had asked him to ascertain if there were any residents interested in joining the Board. He stated that Ms. Adrian is very interested in filling the next available position as Board Supervisor. Mr. Sikorski stated that Mr. Ollweiler has indicated that he would like to resign soon. He asked that this item be placed on the agenda for the next meeting.

Ms. Andrian expressed her opinion regarding the Verizon easement request and further discussion ensued on this topic.

Mr. Hallberg stated that after numerous requests by residents in the area, he has obtained a quote from Ecological Consultants, Inc. to chemically treat and remove the cattails in the retention pond on Lintower Drive. He stated that the quote is for \$2,500 if the cattails can be stockpiled on site and \$4,000 if they need to be removed. A brief discussion ensued regarding whether permitting would allow this treatment. It was stated that should it be permissible a quote should be obtained to treat other ponds as well. Mr. Hallberg stated that Aquagenics, who handles the pond maintenance for the District, has indicated that the issue will resolve itself over the next six months. It was decided to table this item to allow time to research the permitting concern.

Mr. Hallberg provided a breakdown on the costs of utility vehicles for the District stating that he has researched vehicles from five different companies and believes that the Kawasaki Mule 600 will best service the needs of the community. He explained that the Mule is the least expensive of the vehicles and has an option for a five year warranty, whereas the other companies are offering limited warranties of two years or less. Following a brief discussion, Mr. Sikorski made a motion to approve the purchase of the Kawasaki Mule 600. A discussion ensued regarding the timing of purchasing the vehicle and the need to have a shed for storage. Mr. Sikorski stated that he would arrange for space in the M/I Home's garage until the shed is in place.

On Motion by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the approved the purchase of the Kawasaki Mule 600 with the extended five year warranty in the amount of \$7,029.50 for Ballantrae Community Development District.

Mr. Hallberg stated that he does not have an update for the Board regarding the Security System. Ms. Collins stated that she has not found a system to fall within the approved \$15,000 not-to-exceed limit set by the board. Mr. Fletcher stated that the vandalism issues have decreased since school has started. Mr. Hallberg stated that a newsletter will be going out shortly notifying residents of a change in the pool code and requesting that the code not be given out to friends and family members not residing in Ballantrae. Ms. Collins suggested that the newsletter also include cost estimates for upgrading to a card swipe system should the District have to go that route to restrict access.

Discussion ensued regarding other security options including offering the facility as a substation for the Sheriff's office. Mr. Hallberg stated that he is still waiting to hear from the Sheriff's Office regarding this offer. Mr. Sikorski made a motion to authorize the Vice Chairman to increase the Not-to-Exceed amount for the swipe card and security camera systems to \$17,500.

On Motion by Mr. Sikorski, seconded by Mr. Daskarolis, with all in favor, the Board approved increasing the Vice Chairman's authorized not-to-exceed amount for purchasing the swipe card and security camera systems to \$17,500 for Ballantrae Community Development District.

Mr. Hallberg stated that an adjustment needs to be made to the commercial assessments that were approved at last month's meeting. He explained that he was unaware that the commercial assessment for the Debt Service assessment was approved at two units, but was only set at one unit for the Operation and Maintenance assessments. Mr. Hallberg stated that the adjustment would raise each resident's assessments by one dollar. Following a brief discussion it was decided that Mr. Sikorski would determine if M/I Homes would be willing to subsidize that one unit rather than adjusting each individual homeowner's assessment. Mr. Hallberg stated that he only has until Friday to submit the revised tax roll to the County.

Mr. Hallberg stated that while Mr. Fletcher has a debit card for Walmart and Home Depot, he would like to have the Board authorize a petty cash fund of \$500 for the purchase of maintenance items that cannot be obtained at either of these locations. Mr. Sikorski made a motion to approve the establishment of a \$500 petty cash fund for the Clubhouse with the understanding that a quarterly reporting of the expenditures be provided to the Board.

On Motion by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved the establishment of a \$500 petty cash fund for the Clubhouse with the understanding that a quarterly reporting of the expenditures be provided to the Board for Ballantrae Community Development District.

Mr. Hallberg stated that he received a request from an individual to provide tennis lessons to children on the District's Tennis courts. He explained that he would pay the District \$10.00 per student for the use of the court. Following a brief discussion, it was decided to deny the request as it would involve tying up both courts every evening and it was felt that this would create more issues for the district than it would benefits.

EIGHTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Mr. Hallberg stated that the next item on the agenda was Supervisor requests and audience comments. He stated that there were no new audience members present.


Mr. Hallberg asked if there were any Supervisor requests. Mr. Sikorski reiterated that he would like to proceed with bringing a resident onto the Board at the next meeting. Mr. Hallberg stated that he would need to receive a letter of resignation from Mr. Ollwieler prior to the next meeting.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Hallberg stated that there was no other business scheduled to come before the Board. He asked for a motion to adjourn the meeting.

On Motion by Ms. Collins, seconded by Mr. Bagley, with all in favor, the Board adjourned the Board of Supervisors' meeting at 12:50 p.m. for Ballantrae Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman